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September 13, 2006

Hon. James H. Welsh, Commissioner Department of Natural Resources Office of Conservation P. O. Box 94275 - Capitol Station Baton Rouge, Louisiana 70804-9275

Dear Sir:

Chevron U.S.A. Inc. requests the calling of a public hearing, after due legal notice, to consider the following matters pertaining to the formation of six single drilling and production units for the following sands listed below for the SL 451 No. 7 and 8 Wells, in the West Bay Field, Plaquemines Parish, Louisiana.

- 1. To establish rules and regulations governing the exploration for and production of all hydrocarbons from the sands defined below.
- 2. To establish single drilling and production units for all the sands defined below.
- 3. To force pool and integrate all separately owned tracts and mineral leases and other mineral interests within the units.
- 4. To designate Chevron U.S.A. Inc. as operator of the various units.
- 5. Chevron requests that the SL 451 No. 8 Well be designated as the unit well and the SL 451 No. 7 Well be designated as the alternate unit well for the proposed 5A RF SUA.
 - Chevron requests that the SL 451 No. 7 Well be designated as the unit well and the SL 451 No. 8 Well be designated as the alternate unit well for the proposed 2 RF SUA, 17 MKR RB SUA, 16A MKR RE SUA, 15 MKR RB SUA. and the 1 RF SUA.
- 6. To provide that any future replacement and/or alternate wells for said units shall be exempt from the spacing provisions of Statewide Order No. 29-E.

- 7. To provide for future reclassification of the reservoirs without the necessity of a public hearing if such reclassification becomes necessary due to a change in production characteristics.
- 8. To consider such other matters as the Commissioner may deem pertinent.

The 5A Zone, Reservoir F, in the West Bay Field is hereby defined as being that oil and gas bearing sand encountered between the electric log depths of 7,980 (-7,324 TVD SS) feet and 8,367 (-7,635 TVD SS) feet in the Chevron U.S.A. Inc. (LLOG Exploration Company LLC) — State Lease 451 Well No. 8 (BLD "E" Well No. 2), located in Section 2, Township 23 South, Range 30 East, Plaquemines Parish, Louisiana.

The 2 Zone, Reservoir F, in the West Bay Field is hereby defined as being that oil and gas bearing sand encountered between the electric log depths of 7,088 (-6,614 TVD SS) feet and 7,421 (-6,868 TVD SS) feet in the Chevron U.S.A. Inc. (LLOG Exploration Company LLC) – State Lease 451 Well No. 7 (SL 451 Well No. 2), located in Section 2, Township 23 South, Range 30 East, Plaquemines Parish, Louisiana.

The 17 Marker Sand, Reservoir B, in the West Bay Field is hereby defined as being that oil and gas bearing sand encountered between the electric log depths of 6,968 (-6,529 TVD SS) feet and 7,008 (-6,557 TVD SS) feet in the Chevron U.S.A. Inc. (LLOG Exploration Company LLC) — State Lease 451 Well No. 7 (SL 451 Well No. 2), located in Section 2, Township 23 South, Range 30 East, Plaquemines Parish, Louisiana.

The 16A Marker Sand, Reservoir E, in the West Bay Field is hereby defined as being that oil and gas bearing sand encountered between the electric log depths of 6,809 (-6,416 TVD SS) feet and 6,862 (-6,440 TVD SS) feet in the Chevron U.S.A. Inc. (LLOG Exploration Company LLC) – State Lease 451 Well No. 7 (SL 451 Well No. 2), located in Section 2, Township 23 South, Range 30 East, Plaquemines Parish, Louisiana.

The 15 Marker Sand, Reservoir B, in the West Bay Field is hereby defined as being that oil and gas bearing sand encountered between the electric log depths of 6,547 (-6,233 TVD SS) feet and 6,572 (-6,250 TVD SS) feet in the Chevron U.S.A. Inc. (LLOG Exploration Company LLC) – State Lease 451 Well No. 7 (SL 451 Well No. 2), located in Section 2, Township 23 South, Range 30 East, Plaquemines Parish, Louisiana.

The 1 Sand, Reservoir F, in the West Bay Field is hereby defined as being that gas and condensate bearing sand encountered between the electric log depths of 6,389 (-6,120 TVD SS) feet and 6,447 (-6,162 TVD SS) feet in the Chevron U.S.A. Inc. (LLOG Exploration Company LLC) — State Lease 451 Well No. 7 (SL 451 Well No. 2), located in Section 2, Township 23 South, Range 30 East, Plaquemines Parish, Louisiana.

Chevron will provide for the advertisement of the legal notice in a newspaper of general circulation in the vicinity of the West Bay Field, and also will post the legal notices and unit plats in a

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prominent place in the area of the field. Chevron will also mail a copy of said legal notices to Interested Owners, Represented Parties and to Interested Parties.

Attached are (1) a copy of the unit plats, (2) a list of Interested Owners, Represented Parties, and Interested Parties, and (3) our check in the amount of \$4530.00 to cover the application fees.

A copy of this application, plats and list attached, is being sent to Mr. Richard D. Hudson, District Manager, Lafayette, Louisiana. A copy of this application and plat are also being sent to each Interested Owner, Represented Party, and Interested Party after a reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

The pre-application conference was not held since Chevron did not receive a request to confer.

All pertinent data relating to the subject application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 North Causeway Blvd., Suite 204, Metairie, Louisiana, 70002. Any person wishing to inspect such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is not otherwise available from the Office of Conservation can be obtained from Mr. Gilbert at the cost of the requesting party. Any other questions or concerns should be directed to the undersigned at Chevron U.S.A. Inc., 935 Gravier St., Room 656, New Orleans, Louisiana 70112, telephone number (504) 592-6768.

Yours truly,

Anthony J. Bodine, CPL Senior Land Representative

Attachments

cc: Mr. Richard D. Hudson, District Manager

Interest Owners, Represented Parties and Interested Parties











